

Introduced by Senators Florez, Denham, and Poochigian

February 21, 2003

An act to amend Section 744 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 703, as introduced, Florez. Electrical corporations: agricultural tariffs.

(1) The Public Utilities Act requires every electrical corporation furnishing electricity to an agricultural producer, in addition to its regular service, to prepare and file tariffs providing for optional alternative interruptible service and optional off-peak demand service to any agricultural producer at discounted rates.

This bill would prohibit such a tariff from including any demand charge, connected load charge, facilities related charge, or any similar fixed charge. Because a violation of the act is a crime, this bill, by establishing a new restriction on tariffs and thereby changing the definition of a crime, would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature to reduce agricultural dependence on stationary diesel engines by establishing an incentive for agricultural and water pumping customers to return to electrical service by excluding certain charges from electrical corporation agricultural tariffs.

SEC. 2. Section 744 of the Public Utilities Code is amended to read:

744. (a) As used in this section, “agricultural producer” means any person or corporation whose principal purpose is the agrarian production of food or fiber.

(b) Every electrical corporation furnishing electricity to an agricultural producer shall, in addition to its regular service, prepare and file tariffs providing, where economically and technologically feasible, for optional alternative interruptible service to any agricultural producer upon reasonable notice to the agricultural producer consistent with safety of operations by the agricultural producer and providing for limits upon the frequency and duration of interruption of service which the commission finds are reasonable in relation to the needs of the electrical corporation for reductions in load to meet system peak requirements and the burdens imposed upon the agricultural producer of reducing its operations during periods of interruption of electrical service. The commission shall establish the rate for this service at an appropriate discount from the system average rate, which shall be not less than the cost of furnishing this service.

(c) Every electrical corporation furnishing electricity to an agricultural producer shall, in addition to its regular service, prepare and file tariffs providing for an optional off-peak demand service, including the availability of time-differentiating meters or other measurement devices, to any agricultural producer providing for furnishing electricity to the agricultural producer during periods of off-peak demand and which the commission finds are reasonable in relation to the needs of the electrical corporation for reduction in demand to meet system peak requirements and the burdens imposed upon the agricultural producer of scheduling its operations to coincide with the periods of off-peak demand. The off-peak demand service tariff shall be composed of a two-part time differentiated schedule consisting of

1 on- and off-peak rates. The commission shall establish the rate for
2 this service at an appropriate discount from the system average
3 rate, which shall be not less than the cost of furnishing this service.

4 (d) *A tariff filed pursuant to this section may not include any*
5 *demand charge, connected load charge, facilities related charge,*
6 *or any similar fixed charge.*

7 SEC. 3. No reimbursement is required by this act pursuant to
8 Section 6 of Article XIII B of the California Constitution because
9 the only costs that may be incurred by a local agency or school
10 district will be incurred because this act creates a new crime or
11 infraction, eliminates a crime or infraction, or changes the penalty
12 for a crime or infraction, within the meaning of Section 17556 of
13 the Government Code, or changes the definition of a crime within
14 the meaning of Section 6 of Article XIII B of the California
15 Constitution.

